

# Utah State Building Board



## MEETING

November 6, 2002

---

## **MINUTES**

### **Utah State Building Board Members in attendance:**

Keith Stepan, Chair  
Kay Calvert, Vice Chair  
Larry Jardine  
Haze Hunter  
Kerry Casaday  
Manuel Torres  
Lynne Ward

### **DFCM and Guests in attendance:**

Joseph A. Jenkins	Division of Facilities Construction & Management
Kenneth Nye	Division of Facilities Construction & Management
Shannon Lofgreen	Division of Facilities Construction & Management
Kent Beers	Division of Facilities Construction & Management
Blake Court	Division of Facilities Construction & Management
Francis X. Lilly	Division of Facilities Construction & Management
Camille Anthony	Department of Administrative Services
Kevin Walthers	Legislative Fiscal Analyst's Office
Randa Bezzant	Governor's Office of Planning and Budget
Dennis Geary	College of Eastern Utah
Brent Windley	Utah State University
Darrell Hart	Utah State University
Michael Raddon	Spectrum + Bennion
Gary Cox	West Jordan Police
Ken McGuire	West Jordan Police
Bryan Holladay	West Jordan City
Gary Luetters	West Jordan City
Ned E. Carnahan	Dixie State College
Mike Perez	University of Utah
John Huish	University of Utah
Gordon Clark	MHTN Architects

On Wednesday, November 6, 2002, the Utah State Building Board held a regularly scheduled meeting at the Utah State Capitol, Committee Room 129, Salt Lake City, Utah. Chair Keith Stepan called the meeting to order at 9:00 am.

☐ **APPROVAL OF MINUTES OF OCTOBER 16, 2002 .....**

Chair Stepan sought a motion on the Building Board minutes of October 16, 2002.

Larry Jardine noted Lynne Ward was inadvertently eliminated from the roster of attendees.

**MOTION: Larry Jardine moved to approve the minutes of October 16, 2002 pending Lynne Ward's placement on the list of attendees. The motion was seconded by Haze Hunter and passed unanimously.**

☐ **APPROVAL OF AMERICAN WEST HERITAGE CENTER MASTER PLAN.....**

Blake Court, DFCM Program Director, has been assisting the American West Heritage Center with their master plan and first building for the last several months. In September, the Building Board and several others had the opportunity to visit the facilities and view a portrayal of their intended new building. The center recognizes the Shoshone Indians in hopes to preserve their heritage, along with portray the American West from 1820-1920. Various items for display are included in the master plan to be portrayed at a year round location for visitors and students.

The center has been seeking several million dollars in funding from the federal government to begin their very first building; however, due to the economy, the request was decreased. They are now wishing to obtain between \$750,000 and \$1 million this year. They are still waiting approval pending federal budgets acceptance and approval. If \$750,000 to \$1 million is received, the desire is to begin the design phase of the building for the Shoshone Indians. On behalf of the center, Mr. Court asked the Board to accept the master plan as presented.

Joseph Jenkins stated the Building Board held the responsibility of the Center as it was on state property and therefore fell under their jurisdiction. Building Board approval will be required on the master plan as well as the other buildings as they are presented. Blake Court added one tract of land has not been acquired, but is still being actively pursued. No state money or O&M will be involved.

**MOTION: Manuel Torres moved to accept the master plan at the American West Heritage Center. The motion was seconded by Larry Jardine.**

**MOTION:** Lynne Ward moved a substitute motion to include that the American West Heritage Center will not return to the state for additional capital or O&M funds for this project. The motion was seconded by Larry Jardine and passed unanimously.

**☐ APPROVAL OF PROGRAM FOR NEW COURT SPACE IN SALT LAKE COUNTY**

During the last legislative session, the Legislature appropriated \$475,000 for DFCM begin planning to determine the feasibility of Courts relocating to the south valley. Courts currently own a building in Sandy insufficient in size and initially intended to expand the Sandy facility. Subsequently, West Jordan proposed to build an additional facility and Courts has evaluated whether to build a District Court or a Juvenile Court separately or combine them with West Jordan. Courts are continuing to negotiate with Sandy City to purchase the Courts building in Sandy; however, the Courts direction on how to proceed has changed.

Gordon Bissegger stated Courts requested the Board's approval for the program proposal in accordance with the Legislative intent language provided last session. He distributed a handout providing background of who had reviewed the project. There was question raised regarding the consideration taken regarding the impact of both Salt Lake and West Valley having Justice Courts. The page provided indicated that West Valley and Salt Lake went to Justice Courts prior to the Salt Lake Valley master plan being completed in 2000.

The projection for the total valley needs initially was to move from 44 courtrooms in 2000 to a total of 65 by 2020. The MHTN recommendation included as part of the South Valley master plan included building the Juvenile courthouse in Sandy on property purchased by Sandy City. Since the 2000 study, Sandy City withdrew the option of selling the property. Last spring, West Jordan City invited the Courts to locate on their city property.

The change in program from the 2000 facility study has been influenced by two things including the change in location and the change in workload. The main focus of the study was in the Murray, West Valley and Sandy areas and also took into consideration as to the future of the Matheson Court workload as a result of the justice court impact. The study determined that In Salt Lake there will still be some growth to accommodate by 2020, but they will need five less courtrooms as well as one less Juvenile Court as workload is revised. The South Valley area changed the projected need from a total of 12 courtrooms for the district court to 11. West Valley becoming a Justice Court did not have nearly as large an impact as the Salt Lake impact. The study indicated the major need was in the South Valley. With the opportunity to locate in Sandy having been closed, Courts is now looking at simply shifting the construction of the courthouse in Sandy to West Jordan.

In October, the Courts indicated the Judicial Council had not yet had an opportunity to act upon this proposal. The Master Plan Committee, which was identified as the Third District Ad-hoc Committee, recommended two priorities subsequent to the loss of the Sandy City opportunity including the sale of the Sandy Courthouse and the relocation of both Courts to West Jordan. If the sale of the Sandy Courthouse were to fall through, the back up position would be to construct the Sandy Juvenile Court at the West Jordan site and keep the District Court at the current Sandy location. This proposal was then moved to the next level to the Judicial Council Standing Committee on Facilities Planning. After review of the proposal, they accepted the Ad-hoc Committee recommendation and the Standing Committee presented that finding to the Judicial Council on October 21. The Council also adopted the modified master plan which would place the Courts in West Jordan conditional upon the sale of the Sandy Courthouse.

Courts is working towards selling the Sandy courthouse to Sandy City who has indicated they are still very interested in buying the building pending the identification of the cost for the sale of that property. They are entered into a separate appraisal, although they have completed their own appraisal which came in at \$5.5 million. Sandy City's appraisal is expected to be received next week and will reveal their offer based upon their appraisal.

Mr. Bissegger referred to the back side of the handout which indicated their priority one and the anticipated program. With priority one, Courts would sell the Sandy Courthouse and build a 12 courtroom prototype to include five juvenile courts and four district courts with three of them shelled. Courts found that, in building a prototype, it is generally best to build a four courtroom pod. However, since only nine courtrooms are needed initially, they anticipated shelling three of them. In the future, those three courtrooms would be used for District Court workload.

The seven advantages of this program shifted the location from the Sandy site to the West Jordan site allowing for the needs of both courts in the South Valley through 2020, would provide six acres of property for building and surface parking, and avoid the need for a parking terrace that limited space in Sandy would require. The site would also accommodate greater growth opportunity than Sandy, which contained sufficient property to accommodate only eight courtrooms total and related space through 2020. This program also maintains the commitments made to the 1995 Legislature to provide full service Courts in other valley locations other than the Matheson Courthouse. This alternative is made especially cost effective through the sale of the Sandy courthouse, which is expected to glean between \$5.2 and \$5.5 million. With the program being finalized, the total project cost and latest program cost would be approximately \$19 million, with the net cost to the State being approximately \$13.3 million. If Courts is able to sell the property for the full appraisal value, the cost would decrease to approximately \$13 million.

The Courts will have a better proposal once negotiations are completed, which is expected by the end of next week.

If the building is unable to be sold, their priority two would be to place the Juvenile Court in West Jordan and maintain the Sandy Court for the District Court. This alternative is more costly in the long run because facilities would be constructed and expanded at two sites rather than one. However, it does enable the State to retain an existing Courthouse and expand to meet the future needs for the District Court. With the retention of West Valley, which is a lease with an option to purchase and a three courtroom facility, the District Court would have enough courtrooms through 2020. The South Valley expansion for the District Court beyond 2020 or sooner has determined structural problems with the West Valley facility causing the need to terminate the lease and place the West valley operation in West Jordan. Even under that scenario, Courts would still have three locations for the District Court, in addition to maintaining the Sandy site under the second scenario. This priority also meets the need for the Juvenile Court growth in West Valley through 2020 and beyond and maintains the 1995 commitments to the Legislature. The Juvenile Court is the court with the most immediate facility need because of current growth patterns in the South Valley. Because there would be no credit from selling the land, this priority cost would be approximately \$13.25 million.

Representatives from West Jordan were present to express their support for the project and for the location of the Courts. Gary Luetters stated West Jordan was very excited about the opportunity of moving the Court to West Jordan. They have some land around the City Hall they are looking at developing for their own justice center to include expanding the Justice Court, building a new police station and fire station. In addition, the area will be the next likely stop for the TRAX line going to the west end of West Jordan. The City Council has also taken a very positive position about the courtroom coming to West Jordan.

Kenneth Nye clarified that at the presentations made previously at the hearings; Courts proposed a 12 courtroom building. At that time, one and a half Courts were included for use by the City. Gordon Bissegger stated this situation has also changed as the City has since concluded they would be better off placing their Justice Court in their Public Safety building. This would cause the 12 courtroom scenario to have three roughed courtrooms rather than ten. Although they decreased the number of completed courtrooms, they still ended up with a 12 courtroom facility with three shelled rooms being used for future use. This is one of the reasons causing the change in cost as the Justice Court would not be a part of the building after all.

Kenneth Nye understood that with the current prototype of the Courts, four courtroom sets is what works most naturally within the prototype, but a four courtroom set was not

mandated. Gordon Bissegger confirmed. Mr. Nye stated that of the proposed alternatives for Courts, the first alternative included the justification for doing the additional two shelled courtrooms by retaining the four courtroom set. The second alternative did not include the four courtroom set if just the Juvenile Court was completed. He felt there should be more additional justification for doing the shelled courtrooms for the additional two courtrooms under the first proposal. Mr. Bissegger commented the 12 courtroom was included as they felt it was most cost beneficial to include them now rather than later. However, limiting the amount to ten courtrooms would save approximately \$1,500,000.

Gordon Clark, the architect who assisted in developing the master plan, stated the guidelines for including a courtroom and all of the support space, ran approximately \$900,000 to \$1 million depending on the configuration. Instead of taking the 12 courtroom scenario with three shelled courtrooms, they could eliminate two of the shelled courtrooms and effectively save approximately \$600,000 per shell to be eliminated resulting in a savings of approximately \$1.2 million. Gordon Bissegger stated that would decrease the figure shown under priority one to \$12.2 million.

Kenneth Nye asked Mr. Bissegger to address the future need for the two shelled courtrooms and questioned when the courtrooms were needed. Mr. Bissegger referred the Board to the handout currently identifying the layout of the South Valley District Court to include three courtrooms. Due to the closure of Murray, these courtrooms have been temporarily relocated to Matheson Courthouse. Upon completion of the West Jordan facility construction, there is a need for three courtrooms in the District Court. Another judge is anticipated within the next couple of years, creating the need for four courtrooms. However, the full twelve courtrooms will not be needed until 2015. Assuming West Valley is kept on-line, 12 finished courtrooms will be needed by 2015. By 2010, they would need 11 finished courtrooms including six for the District and five for the Juvenile.

Manuel Torres asked what a courtroom facility currently costs per square foot. Mr. Clark stated they are currently looking at \$140/sf for the construction cost only. Mr. Jenkins added the Courts are more than other buildings. This cost includes the jury deliberation, the Judge's chambers, and the associated clerical space with each courtroom. This is the reasoning for the fairly significant cost per courtroom.

Mr. Torres asked how the \$5.2 million was figured per square foot on the appraisal. Mr. Jenkins felt it was about replacement cost as there is 35,000sf in the building resulting in approximately \$150 per square foot. Mr. Nye added this also has more valuable land associated with it than the value of the property would be in West Jordan. Mr. Bissegger saw an advantage in the West Jordan site was the cost of approximately \$6.00/sf for property, where in the immediate Sandy area, it is going for \$12-14/sf.

Mr. Torres asked if Sandy City would pay that much for office space. Mr. Jenkins replied the space would be used for Court space as well as office space. The location was convenient to the other City facilities as well. The last negotiations that he was privy to indicated the City wished to pay \$3.5 million up front and another \$1.5 – 2 million later. Gordon Bissegger the City had since indicated the area did not fully meet their space requirements and have since indicated they would be making the total payment rather than spreading it over time.

Joseph Jenkins reiterated the Courts were asking for the Building Board to authorize the \$475,000 to start programming and design. The timing of the Sandy City building sale and the Legislature appropriating the money also comes into question. Mr. Bissegger stated the sale would have to be a clause in the agreement stating if the Legislature did not appropriate the funding next session, due to Sandy City's timing need for the justice court facility, then the sale would not go through. They would need to proceed this year in order to meet the timing for their facilities. In terms of the timing of the payment, Sandy City would issue bonds to buy the building if the Legislature appropriates this year and then the money would be available to Courts for the project construction. If the project is not approved this year, then the City will back off of buying the building and Courts would follow through with the number two priority. Mr. Jenkins asked if Mr. Bissegger felt the Board should do the planning on priority one or two. Mr. Bissegger's recommendation is to proceed with the planning on priority one, but wait until appropriation is received this year from the Legislature. If appropriation is not received, Courts would use the funds on the design for the second priority.

Kenneth Nye stated the intent language the Legislature adopted last session requires that the program be approved by both the Building Board and the Legislature before proceeding with design. They will need to wait for the Legislature to act before they could proceed with the design.

Kevin Walthers added that the purpose of the intent language was due to some concern among the Committee with all of the options not being fully explored and granting funding for design on project to proceed without Legislative approval. Mr. Walthers felt Courts fully evaluated all of their options and if an agreement could be reached with Sandy City, it seemed the \$5 million could be used for the design portion if full funding was not received in the future.

Mr. Jenkins asked if the Building Board needed to act immediately. Kevin Walthers stated if the Board felt the programs were appropriate, he thought their indications would be evident to the Capital Facilities Committee.

Chair Stepan suggested the Board address the issue in this meeting, recommending approval of the programming, and then wait on the actions of the Legislature before reviewing other options at a later date.

**MOTION: Haze Hunter moved to recommend approval of the \$475,000 for programming pending a final decision by the Legislature. The motion was seconded by Kay Calvert.**

Gordon Bissegger asked if that covered programming/design. Chair Stepan confirmed as it was the language of the Legislatures approval.

**The motion passed unanimously.**

**❑ AUTHORIZATION OF USU ATHLETIC LOCKER ROOM BUILDING.....**

Darrell Hart, Assistant Vice President of Facilities at Utah State, stated USU had recently added women's basketball in their program. The University was already extremely tight on space; therefore, the Athletic Department proposed to build a 10,000sf facility northwest of the existing track and field building to serve as locker rooms for track and field, soccer, and softball. The existing facilities currently allocated in the Spectrum will be converted for women's basketball. This project is non-state funded with no O&M requests attached.

Kevin Walthers questioned if, given the Athletic Department operates at a deficit on its revenue, there was some state money going to the athletics program through the E and G budget to supplement some funding each year in the athletic program. Darrell Hart did not believe so as most of their budget comes out of what they raise. The building would be built out of donated funds. The teams generated enough revenue from their games to cover the entire cost of the athletic program.

**MOTION: Manuel Torres moved to approve the request for the locker room building. Haze Hunter seconded the motion which passed unanimously.**

**❑ PROGRAMMING OF WEST VALLEY DRIVER LICENSE OFFICE .....**

During the tours in the summer, the Board visited this existing facility. Public Safety wished to discuss an architectural program for the facility at the same site.

Kenneth Nye stated the project was previously received quite favorably as a non-state funded project as recommended and DFCM felt there was a benefit to proceed with programming of the project before the Legislative session. The programming would be



paid for out of the Driver's License revenues and would allow the project to be able to be ready to move quickly after the legislative session, as well as resolve any questions there may be regarding soil conditions at the site before getting the project formally approved. The Board's policy requires that before they can proceed with programming, either the Building Board or the Legislature must provide the approval.

Joseph Jenkins stated a soil test would be performed to determine the preferential place to locate the building on the site. They would keep the facility in operation while the new building is built.

**MOTION: Larry Jardine moved to authorize the programming of the West Valley Drivers License facility. The motion was seconded by Haze Hunter and passed unanimously.**

**❑ AUTHORIZATION OF U OF U OLYMPIC LEGACY PARK VISITORS CENTER..**

Mike Perez stated that two meetings ago, the University requested Building Board approval to develop the Olympic Legacy Park. At the time, there was some consideration for a potential visitor's center. Since that time, SLOC desired to remove the existing ticket office at the southwest corner of the Rice Eccles stadium and construct another ticket office in its place with an expansion to include a gallery for the experience at the Olympic park. There would be Winter Olympic exhibits and memorabilia within the structure and possibly a theatre and a small retail area. It would all be funded by SLOC, and no state O&M or capital improvement dollars would be included. The University sees this currently existing as an auxiliary enterprise tied to the Rice Eccles stadium, but paid for by SLOC for future consideration. Therefore, they requested Board approval for construction of the Visitor's Center.

Kay Calvert asked if the retail portion would be set up as a concession or would it be addressed by the University. Mr. Perez responded the University is currently deliberating the issue in attempts to fit it in the footprint. With the gallery space, one of the considerations for the University is to host special events. With that, there may be some dining component or catering component as well along with retail. Those things are being deliberated currently, but he anticipated it would be needed to create the revenue stream to support that facility long term.

**MOTION: Lynne Ward moved to approve the authorization of the University of Utah Olympic Legacy Park Visitors Center. The motion was seconded by Kay Calvert and passed unanimously.**

**❑ U OF U REQUEST FOR DELEGATION OF MORAN EYE CENTER .....**

Mike Perez stated that legislative approval had been given for proceeding with the design and construction of the Moran Eye Center Phase II. The University requested delegation by the Board to the University for its construction. He stated the Design and Construction Office for Facilities Management at the University of Utah is very pleased with the partnership that they have forged with DFCM. They have worked very well together recently with DFCM to successful projects. The issue is not with any concern the University has with DFCM, but there are mitigating circumstances that exist that would be in the University's best interest if delegation were provided.

Mr. Perez understood there was some leeway with respect to consideration of delegation if, in fact, the Board were to consider four basic components of a project. One is the funding and all of the construction dollars for the project is coming from non-state funds, primarily from donations. 50% of the O&M is also coming from non-state funds and future capital improvements would be responsibility of the State. A second component is the ability for either DFCM or University staff to manage the project. Mr. Perez noted there was the staff at the University of Utah assigned to that quadrant of campus that has developed a confidence of sorts for those types of facilities and would be capable to oversee the project based on delegation.

Chair Stepan stressed to the Board the importance of the decision. He noted the letter from the President of the University stating "Mr. Moran's pledge of financial support comes after careful and detailed discussions over an extended period of time." It stated he was giving the donation based on the University being the project management authority. There has been some further discussion regarding the issue, but he wished to call the attention of the Board to that significant issue as they have further discussions.

Kay Calvert was very curious as to why Mr. Moran would make this request with the level of detail in terms of who is managing the project as it struck her as being very unusual. Mr. Huish stated this is a similar situation to the Huntsman Cancer Institute Phase one and two, which were both delegated projects totaling \$165 million. In the case of the Huntsman project, there was much the same importance on the part of the donor, which was to ensure he received correct stewardship for his dollars and felt it would be better accomplished by having the project management in one house. Donors may also be under the notion of having to pay for DFCM's project management costs. Mr. Perez suggested the University is very well positioned to manage the project and if the intent is to create a facility that is of quality and sustainable, which are the same desires by the State and DFCM, they have just as much desire for that to occur as well.

Mr. Huish felt their approach and attitude is to stay partnered with DFCM and the enterprises with the buildings. Because of staffing and capacity, they felt this was the most effective way to manage this particular project. It is a multi disciplined project with clinical

and research spaces and an underground parking structure. There are issues involving public issues and urban planning issues associated with the arrival of TRAX to the medical center. DFCM incidentally made selection for the architect with DFCM so the project is underway, but because of a lot of complexities perceived by the University and the donor, then perhaps a more streamlined way to deal with the management is to have it in one house.

Lynne Ward thought the consideration ought to be put into context of the whole delegation authority and proposed revisiting the delegation issues by reviewing the University's staff FTE as well as other issues. She suggested performing some research before making the delegation decision.

Joseph Jenkins commented the Building Board made rules on when they would delegate. The rules matched the legislative intent which states that if there are O&M dollars being paid by the state, and if the project is eligible for capital improvement dollars, it would not be delegated unless there was a specific need and DFCM did not feel the need was there on this project. DFCM has in-house staff that can do the project with experience on doing projects as large and sophisticated as this project, and also were the project managers on the Moran Eye Center Phase I. Lyle Knudsen can give full time to the University to oversee their needs for this project.

Joseph Jenkins stated the O&M balance is 50%, but the balance on the O&M that the state doesn't come from with then come from clinical fees that go to use Moran Eye Center. If those do not materialize, the State is going to be paying more percentage of O&M. As they build a building, they take long term costs into consideration. The project is underway and they have already selected the design team. DFCM felt it is an important precedent for the Board not to approve projects where there is O&M dollars and capital improvement dollars included unless DFCM deems they cannot handle the project.

Kay Calvert expressed concern with deviating this far from the amount of money that the Board has determined through the Legislature and, if there is a problem, then the judgment of the Building Board would be called into question by the Legislature. She felt it was much farther beyond the level than they have been authorized delegation.

Haze Hunter expressed concern with eliminating Mr. Moran's support if the project was not delegated. Mr. Perez responded the President's letter basically stated it was a matter of great concern as the entire project was in jeopardy if they could not find a way to proceed with all parties in agreement. Mr. Jenkins responded he had spoke with several individuals at the University and was unsure Mr. Moran would withdraw without delegation. Both parties have held negotiations in getting the size of building, the amount of money, and the location and he did not feel he would withdraw the money from the project.

Mr. Hunter asked if there was any way to find out for sure if he would withdraw as he did not want to lose the money.

Lynne Ward asked if DFCM has any record of any complaints by Mr. Moran on the first phase of the Moran process. As Mr. Jenkins understood it, he was very happy with the project as it was completed.

Kay Calvert did not want to discourage anyone from making significant donations to the State and to the Universities, but felt it puts DFCM and the State in an awkward situation if all the conditions are put on them, particularly the ones involved with control of the project itself. The State has the O&M expenses regardless, and therefore has a financial investment. Mr. Perez stated they had been advising the administration to do everything possible have Mr. Moran understand there is value added in the process that exists, but have been instructed to pursue Mr. Moran's desires. The University works well with DFCM and either way they go, it is going to be a great project.

Haze Hunter asked if there would be no quality differences in the building. Mr. Huish stated even when projects are delegated to the University; they still have design standards similar to those of the DFCM. They are parallel in the contract documents they use and act as an arm to the DFCM even though they are delegated.

Camille Anthony stated there is also concern on behalf of the GOPB. She felt precedent is a big part of that and thought the DFCM staff is capable of doing this project. She felt the Board ought to stick to the set standard and make a decision accordingly.

Haze Hunter suggested telling the University that the Board is concerned about the situations about the delegation and suggests they return to Mr. Moran to discuss the concerns. Joseph Jenkins stated part of the problem is that the construction project is underway and the design team is already selected. They will soon be selecting the CM/GC and entering the process.

**MOTION: Kay Calvert moved to deny the request for delegation for the Moran Eye Center Phase II. The motion was seconded by Manuel Torres. The motion passed with one vote against the motion.**

**MOTION: Lynne Ward moved that the original delegation request and consideration originally developed for Utah State University and University of Utah be reviewed by the Building Board to determine the current status. The motion was seconded by Kay Calvert and passed unanimously.**

☐ **U OF U REQUEST FOR DELEGATION OF CHILDREN'S DANCE THEATRE PROJECT .....**

Mike Perez stated the Children's Dance Theatre project is currently in the infancy stages of the project. It will be an approximate 30,000sf building at a value of approximately \$6 million, which currently exceeds the University's delegation authority. The University is currently in the fund raising stages and is requesting delegation of this project.

John Huish added that it was a very strong component of the alumni support. The program is currently housed in a World War II barracks building located at the foot of the new pedestrian bridge on Wasatch Drive. The dance group has been striving to raise a good donor base for a new building, and while they have not seen the dollars yet, there has been enough interest that it was put before the Legislature for approval last year as a non-state funded project with no state O&M. At that time, the University discussed with DFCM that perhaps this would be a project to delegate because of the size and because it was close to the monetary limit for delegation.

The dance theatre and the dance program would function as an auxiliary function to the University. It is not a prescribed academic program nor does it have stationed within any of the University's constituent programs. They had been there for years with the academic support to act as an enhancement to the University. The University has begun site studies for a new building and decided that the area serviced would be basically on the periphery of campus in the Guardsman Way parking lot where the Kindercare facility is presently.

Haze Hunter asked why the University continued to ask for delegation. John Huish stated this fell in the spirit of partnering with DFCM. As they reviewed the projects that had legislative approval last year, they worked with DFCM and determined this project would best be delegated. It was at that time that the University Hospital expansion project was also delegated.

Joseph Jenkins stated DFCM was comfortable delegating this project as it is just barely over their delegation authority. DFCM has a good relationship with the University of Utah and this project also had no state O&M dollars and no AR&I involved.

**MOTION: Haze Hunter moved to accept delegation to the University of Utah Children's Dance Theatre project. The motion was seconded by Kerry Casaday and passed unanimously.**

☐ **ADMINISTRATIVE REPORT FOR UTAH STATE UNIVERSITY AND UTAH STATE UNIVERSITY .....**

John Huish reported the administrative report for the University of Utah for the period of September 20 to October 18, 2002. Three A/E agreements were negotiated during this period including one project in the statewide account for the parking lot #26 reconstruction. A couple of smaller remodeling projects in the Art Building and a building in Research Park also received contracts.

There were five new projects in the construction remodeling category. All five projects were bid within budget and are currently underway.

In the design/build category, there were three contracts awarded in the period. This falls in line with the delegation of projects. The University Hospital expansion started out as a DFCM project and it was decided to delegate it to the University. The three projects are reassignments of contracts from the DFCM to the University of Utah.

Joseph Jenkins stated on the Hospital project, it was determined that DFCM did not have the expertise in house, nor the staff available to handle the project the way in the manner it needed to be done. The University expressed interest in taking it over and DFCM agreed. DFCM has since acquired the staff and the project proceeding very well.

**MOTION: Kerry Casaday moved to accept the administrative report of the University of Utah. The motion was seconded by Manuel Torres and passed unanimously.**

Brent Windley, Utah State University, reported for the period of September 18 to October 16, 2002. There were two new professional contracts awarded including one for a seismic analysis of the Spectrum roof and another for the Military Science building in order to obtain construction drawings. There were two construction contracts awarded for the period including one for the Fieldhouse Renovation Phase I and the Fine Arts Visual Chiller replacement, which is finished final payments and being completed.

There was one deduction from the contingency reserve fund for fire lane access routes concrete testing in front of the old Merrill library.

The current delegated project list had 55 projects. Approximately 20 of them are either completed or near completion.

Mr. Windley noted the Engineering Classroom Building has 95% of the concrete floors completed. The floor slabs are poured and the roof structure is on and insulation panels are being placed on the walls. The rough electrical and mechanical is started and masonry will start next week.

The Edith Bowen School has begun the masonry. Slab is poured and the tunnel connection is complete.

The Library design is underway. They have had several meetings with the architect and the library staff to discuss developing conclusions on how to proceed with the project.

Darrell Hart updated the Board on the co-generation and central chilling plant project. Back in the summer, the University went through a fairly lengthy RFP process including one for the selection of a vendor for the equipment and another for the selection of a third party financier. The University has since announced the vendor selection and the third party financing proposal will be presented to the Board of Trustees on November 15. Pending that approval and some discussion with the Regents office, USU anticipates having a contract signed by the end of December.

Chair Stepan asked if the Fine Arts chiller replacement tied into the new system. Mr. Hart stated this was not on the original capital improvement list. They had a chiller fail in the summer and, in order to get it operational before school started, they swapped it out on the improvement list for another chiller on the project. USU did not have an auxiliary tunnel built and did not have a cooling system yet. If they had the central cooling plant in place, it would have been accomplished differently.

**MOTION: Larry Jardine moved to accept the administrative report of Utah State University. The motion was seconded by Haze Hunter and passed unanimously.**

**☐ ADMINISTRATIVE REPORTS FOR DFCM .....**

Kenneth Nye stated DFCM was not managing the State Capitol project, but are providing the administrative support causing the contracts to go into DFCM's accounting database and is therefore on the reports.

Mr. Nye stated the memo lacked detail on the emergency fund draws. The State Hospital boiler repair draw was to replace a boiler that failed prematurely for unknown causes although it was being maintained properly. The Salt Lake Detention fire sprinkling system repairs is a situation where the sprinkler heads originally installed in a number of youth corrections buildings were a special type of sprinkler head for a secured facility situation to prevent access to the head by the inmates. They are a special purpose, more expensive head than would normally have. The heads installed in these buildings were recalled by the manufacturer because of problems, but because of the age of the heads, the manufacturer only wanted to pay part of the cost of their replacement and therefore DFCM had to cover the balance of the cost.

Chair Stepan asked how the operations budget was proceeding. Joseph Jenkins stated DFCM was doing very well this year. DFCM had their meetings with the GOPB for next year and have recommended that they will fund all of capital improvements personnel out of capital improvements funds. Right now, DFCM is doing asphalt and roofing out of that anyway and just added some additional staff. If tax revenues continue to lag next fiscal year, DFCM will need to fund their operation out of contingency reserves and project reserves.

**☐ UPCOMING VALUE BASED PROCUREMENT SELECTIONS.....**

Chair Stepan sought volunteers to serve on Value Based Selection committees.

Kerry Casaday will serve on the selection committee for the University of Utah Health Sciences Education Building CM/GC.

Kay Calvert will serve on the selection committee for the University of Utah Museum of Natural History.

Keith Stepan volunteered to serve as a backup on December selection committees. He will also serve on the University of Utah Health Sciences Education building design.

**☐ OTHER .....**

Lynne Ward stated there is still a vacancy on the Building Board. She sought suggestions for qualified individuals to submit to the Governor's Boards and Commissions staff.

Joseph Jenkins stated Utah County still needs representation and the Governor's office at one time was looking for a woman out of Utah County. Camille Anthony stated they were still trying to obtain that demographic, but have not been successful on brainstorming.

Kay Calvert suggested contacting some elected officials to see if they had any suggestions. Camille Anthony will also follow up with the Governor's office. Lynne Ward stated it would be helpful to have someone with a construction background, but did not have a conflict of interest with state projects.

**☐ ADJOURNMENT .....**

**MOTION: Kay Calvert moved to adjourn at 10:33am. The motion was seconded by Manuel Torres and passed unanimously.**

*Minutes prepare by: Shannon Lofgreen*